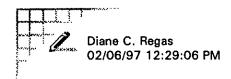
NLWJC - Kagan DPC - Box 057 - Folder-014

Superfund





Record Type: Record

To:

Bruce N. Reed/OPD/EOP Elena Kagan/OPD/EOP, Paul J. Weinstein Jr./OPD/EOP cc:

Subject: Superfund discussions today

There will be a staff level discussion within a few days on whether we should have an Administration bill on Superfund. Superfund reauthorization remains a priority for the majority in the Congress, and we will need to decide the Administration strategy soon. CEQ is contemplating calling a principal's meeting early next week.

This note is to ask your engagement on the process and to quickly summarize the options for strategy and my recommendation.

With regard to the process, I believe that any principal's meeting on this should be jointly convened by CEQ and NEC. The economic issues are some of the driving issues here. A jointly convened meeting will send an important message of balance on this issue. I plan to make this argument at the staff level. I suggest that you mention this to Gene Sperling.

The strategy options are three:

- A) Prepare Administration principles, but allow agency assistance to both majority and minority staff to improve/prepare their bills. (There is a republican bill, there is as yet no dem alternative.) It would need to be absolutely clear that assistance does not guarantee. Administration endorsement. EPA is likely to support this view.
- B) Prepare a narrow Administration bill. This approach would send three key signals: (1) we are serious about reform, (2) all Departments will have a voice, and (3) we will only support moderate changes. CEQ is leaning slightly towards this view.
- C) Prepare a broad Administration bill. This approach would likely provide the most comfort to DOE and DOD because they will see this as a potentially disciplining process for the other Agencies. DOJ (Lois Schiffer) would vehemently oppose this approach.

I recommend that we initially support option A. In my view, the key supporting reasons are:

- 1) An Administration process to come up with a bill will be extremely contentious and will distract from our effectiveness on the Hill.
- 2) If we genuinely want a bill we will need to negotiate with the majority and there is no particular advantage to having spent months coming up with our own bill fist.
- 3) Principles that set a high standard, will provide guidance to negotiations and will provide rhetorical cover to strengthen our hand in the negotiations.

The key weaknesses in this approach are:

1) Some departments will be unhappy enough to undertake their own discreet Hill efforts. I discount this concern because no matter what we do, departments will let their views be known to the Hill. While this adds a measure of chaos, which will likely create some interagency friction, I

don't believe it is particularly damaging to the Administration as a whole.

- 2) We need to get key minority Representatives on board first, some of whom definitely do not want a bill to pass.
- 3) Environmentalists are likely to end up more critical of a bill that passes.
- 4) The Administration could be accused of not exercising leadership on this issue. My response would be that our leadership is in Brownfields and in the Administrative reforms.

Please let me know if you have concerns about my recommended approach.

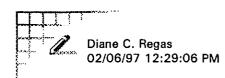
Diane Borner

Ves

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Dena



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cc: Elena Kagan/OPD/EOP, Paul J. Weinstein Jr./OPD/EOP

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